App. F. IX-4.

1925. 6

File No. 446-24

Previous references.
Ire 269-26-13
Ire 301-24 (1-4)

Serial Nos. 1-8

Later references.
Law 26-82-1-7
Ire 43-33 (1-4)
65-39-1-2
RB 76-40 46 : 16-4 + 86-11, B Sept. '41.

PRESERVED

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Eight

Part B for Selection

SUBJECT.

Revision of the rules for the grant of loans for industrial purposes

---

I. C. 7102-4 Di 12.4.26

To

Dr Ire (iii) Complication thro'
H.E. result

(iii) Secy E.C.

Approves of the modification suggested by the Ire. Bd in re

Mukherjee

G. R. S. 59]

GENERAL AND REVENUE SECRETARIAT.

1914. 15
(Courts)

File No. 112 - 14

Serial Nos. 1a, 1b & 1c

Papers Filed.

Month Nov 14

SUBJECT.

Petitions from the Malor District

PREVIOUS REFERENCES.	LATER REFERENCES.
	CS 112 - 14 (7 - 8) 7

5/1/15

Serial No

Restoration of the power of the Director Dte to sanction loans under Rule 2 of the Rules for Industrial Loans

1) A draft order as put up as decided, by the Regulation para 26 of the notes in the file 301-24, put up with

Ex. no 2nd 7163-4 Dte 348-24-4 Dy 23.4.25 sanctioning a provision of Rs 75,000 during 1925-6 for Industrial Loans is also put up

15-5-25 16.5.25 Dft to Govt

2) Rev Sec

16/5

3) Govt

18/5

4) Before the Dte empowered to sanction the loans, the rules regarding the grant of the loans should be revised. Strictly legal conditions to be satisfied for the grant of the loans. The security to be furnished by the borrowers

16/5

NOTE—Contn. Sheet

Serial No.

Board may be asked whether the ~~proposed amendment to~~ proposed Rules for the grant of Scholarships and Reports thereon to place the existing Rules before the Estt. Board and to submit their views for the consideration of Govt.

5 Copies sent vide
Ltr. No. 67/46/Estt. dt. 20/5/25

6 MD 26/5

Issue
VS
26/5/25

To The Secy. Economic Development Board,

I.C. 2064 dt. 27.5.25

With reference to your letter dt. 27.5.25 I am directed to forward herewith a copy of the Rules for the grant of Scholarships to Boys and Reports thereon to place the existing Rules before the Estt. Board and to submit their views for the consideration of Govt.

Sent A

GEN. & REV. SECTT.
25 MAY 1925
INDUSTRIES & COMMERCE BRANCH.

To Director of Ste

I.C. 821 dt. 10.8.25

With reference to Govt. No. 2 state that the matter is under consideration pending receipt of the decision of the Director Ste. Board in the

NOTE—Contn. Sheet

General and Revenue Secretariat.

I&C 3887

I&C File No. 446 of 1925

Serial No

revision of the existing loan rules.

No. 821 dated 29.8.'25, from the Secretary, E.C.

Forwards copy of letter dated 24.8.'25 from the Secretary I&C Board, stating that the rules for the grant of industries loans have been referred to a Sub Committee whose recommendations are awaited.

1) Sub for perusal. Final recommendations of the I&C Bd may be awaited

Sd 3/9 VS

8) Mark awaited

Rec'd 7/9 WP 8/9

7/9 WP 18/9

GEN. & REV. SECRETARIAT
18 SEP 1925
INDUSTRIES & COMMERCE BRANCH.

Sec A

SA 5/9

No. 3642 dated 28.1.1926, from the Secretary, E.C.

Forwards the opinion of the I&C Board regarding the revision of the rules for the grant of Industries loans.

9) The alterations suggested are contained in the resolutions of the Board

Subs for orders, with refce.

Sd 30/1 VS (N)

(X)

(X) The Board's resolution may perhaps be accepted

Ch Sec 1/2 WP 1/2

23/1.2.26

12) Sd Mark

Sec

B 11/2/26.

WP 1/2

NOTE—Contn. Sheet

WD 2119—GPB—10.000—27-4-25

G.R.S. III-2]

General and Revenue Secretariat.

File No. of 19

Serial No.

NOTE—Contn. Sheet

Serial No.

13) The Fin Secy may first be consulted with regard to the proposals pertaining thereto relating to the reduction of rate of interest from 7% to 6%. The Board to have opinion that such reduction may be necessary in the interests of the industrial development of the State; and if agreed with is

2/2

H 2006/45

14) To Fin Secy

2/2

By

1053

15) The rate may be reduced to 6 p.c. for such loans sanctioned ~~on the three years~~ during a period of 3 years and the position reviewed thereafter.

16) A draft will be put up, if approved, accepting the Board's proposals, as modified in the Fin Secy's note above.

Ch Secy

17

18 Sales Tax draft for consideration

Ch Secy

19) may be approved & despatched by circular to 1st Member Board

15/2 H 16/2

NOTE—Contn. Sheet

453 16-2

3884

WD 01264—GPB—40,00

App. F. III—

'General and Revenue Secretariat

DC File No. 446 of 1924

Serial No.

1) The Drafts as revised may be typed & submitted for Dewan's approval & Sign order

17/2

2) Sabd with a typed draft.

21/1/27 Dewan Ch. Secy 19/2

3) Vide para 18)

Dewan 22/2

4) Then were the Govt rules issued or they issued with C. effect

W 25/2

5) It is regretted that the collection relating to the issue of the existing rules (G.M. 55-12-240) has been destroyed under the orders of the then Dy. Registrar. This is a file that should have been preserved. The Jdc branch was not also consulted before the destruction was ordered.

24/2 (Ch Secy) W 25/2

Dy Reg^r should explain the aspect 25/2

was connected with the issue of the original rules they were considered in Council

25/2/26

DEWAN'S OFFICE
RECD. 22. FEB. 1926
Reg. No. 6185

NOTE—Contn. Sheet

WD 01264—GPB —40,000—17-12-25

General and Revenue Secretariat

L&C File No. 446 C398 App. F. III—2] of 1924

6

Serial No.

Subject

This was treated as a Council matter in 1913 but was disposed of by Circulation. (Vide Extract from the Register of Council Cases is put up.

1/3/26

1/3/26

Please compare the enclosed copy with the original of the Report and to whom was addressed.

Yes

3/3/26

3/3/26

I think that the wording of para 1 of the draft G.O. requires slight revision to make the meaning clear

5/3

NOTE—Contn. Sheet

(For Disposal at a Meeting)

No. C. 398
of 1925-6

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

(Clause xii of the schedule)

Revision of the rules for the grant of loans for industrial purposes.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

3rd March 1926.

Chief Secretary to Government.

Extraordinary Member of Council.

First Member of Council.

Second Member of Council.

Extra Member of Council.

C 398 7

Extract from the Proceedings of the 768th *Meeting of the Council of His Highness the Maharaja, held at Bangalore on the* 27th March 1926. *19*

171. Subject. - Clause xii of the schedule.

Revision of the rules for the grant of loans for industrial purposes.

OPINION OF THE COUNCIL.

The draft order may be approved.

(Signed) A. R. Banerji,

Dewan of Mysore.

"EXTRACT"

Chief Secretary to Government.

WD 1471—GPB—2,000—1-3-21

Serial No.

I have put up a D.F.N. for amend-

Ch Sec'y

WG 31/3

A 31/3

Submitted

G10/31.3

In the Act as it stands the Group mentioned below the changes are laid are proposed to be made in the Existing rules,

Dy 31/3

Revised D.F.N. submitted for approval.

A.S.C.

81/3.4

First Mr) WG 3/4

Final note is put up for Submission to Govr

Dy 5/4

Chief Sec'y

Sir

Note D. SW

A 6/4/28

Govr

4/4

Final Note by the First Member of Council.

Subject:—

Revision of the rules for the grant of loans for industrial purposes.

The existing rules for the grant of loans for agricultural and industrial operations and for the purchase and erection of machinery, were issued in 1913 (Notification No. G.2146/G.M.55-12-240 dated 2nd September 1913).

2. Under Rule 2 of the above rules, the Director of Industries and Commerce is empowered to sanction industrial takavi loans, not exceeding Rs.2,500 in each case. In 1921, however, in view of the difficult cash position of the State Treasuries, the Government temporarily withdrew the power of sanction in this respect, until further orders.

3. The Director of Industries & Commerce requested in his letter dated 9th January 1925 that the restrictions placed on his power of sanctioning such loans might be removed, in the interest of the prompt disposal of loan applications. In dealing with this proposal, it was considered desirable that the question of revising the rules regarding the grant of loans should be also taken up. The question was thereupon referred to the Board of Industries & Commerce for their opinion, and the Board having suggested certain modifications in the rules, the Financial Secretary was consulted on the proposals and he agreed to the Board's proposals except in respect of the proposed reduction in the rate of interest from 7 per cent to 6 per cent, regarding which he suggested that the reduction may be sanctioned tentatively for a period of 3 years and the position reviewed thereafter.

Page 4 of Office Note

4. The following are the main changes that are proposed to be made in the existing rules:

(i) Placing a maximum limit of Rs.5,000 for loans to be sanctioned

10

on the hire purchase system for purchase of machinery etc. and increasing the proportion to be paid by the applicant, as preliminary purchase money.

(2) Fixing the maximum period for the repayment of loans at 7 years.

(3) Reducing the rate of interest on industrial loans from 7 per cent to 6 per cent for a period of 3 years from 1st July 1926.

(4) Defining the powers of sanction of industrial loans by the Director of Industries & Commerce and providing for the consultation of the Board of Industries & Commerce in the case of large loans, exceeding Rs.10,000.

P

5. The draft order, accepting the Board's proposals, as modified by financial opinion, was considered in Council on the 27th March 1926 and has been approved by the Council; and I submit it for the gracious approval of His Highness.

Page 7 of Office Note

FIRST MEMBER OF COUNCIL.
5/4/26

5-4-1926.

Submitted to His Highness.

I submit herewith a Final Note by the.....First.....

Member of Council on the subject of...revision..of...the

rules for the grant of loans for industrial purposes,

....

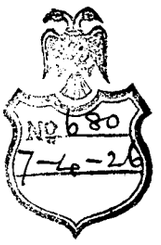
for His Highness' gracious approval.

Dewan.

B. & R. ...
6/4/26

398 (12

Record of Cases submitted for the Orders of His Highness the Maharaja.



Subject.

Revision of the rules for the grant of loans for industrial purposes.

724

Order.

~~KRW~~

8/4/26

Revsecy

W

9 APR. 1926

13

C 398

General and Revenue Secretariat.

Revision of the rules for the grant of loans for industrial purposes

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to the Members of Council for perusal of His Highness' orders $\frac{\text{before}}{\text{after}}$ issue of orders. (*Vide* Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

Chief Secretary to Govt.

Through the Secretary to Government.

.....Department.

270
9.4

FIRST MEMBER OF COUNCIL.

8806
9/4

SECOND MEMBER OF COUNCIL.

10.4.26

THIRD MEMBER OF COUNCIL.

Asst. Secy, &c.

NOTE—Contn. sheet.

Mono WD 1190—GPB—500 9-1- 3.

10/3

WD 01264—GPB—40,000—17-12-25

General and Revenue Secretariat

Itc File No. 446 of 1924

Serial No.

Vide H Secretary's note d 5-2-1926

7 H 2746

Heard H

Subd with Draft & Fair copies

16.4.26

To, The Controller 19/4

H 6041/ dated 19/4/26

5 To Director Itc

Controller Mercantile Marine

Secy. Economic Conference.

7102-4 & 12.4.26.

Refers to the various opinions suggesting modifications in the Indian Rules for the grant of Industrial loans.

Subd with a draft letter to Director calling for revised rules

24/4 26/4 26.4.26

6 To Director, Itc

7489 & 29.4.26.

Invites reference to the G.O. (Col.5)/ and requests that a draft of the rules framed in accordance therewith may be submitted for the

NOTE—Contn. Sheet

WD 01264—GPB—40,000—17.
App. F. III—2]

General and Revenue Secretariat

Ind File No. 15 446 of 1924

Serial No.

Approval of Govt

No. Q. 1069/d dated 11th/12th June 1926 from the Dir, Ind

Forwards a draft of the revised rules for grant of Industrial Taccavi Loans in accordance with G. O. No. Ind. 1102-4/924.446-24-5 dated 12th March 1926

It is stated that a new clause has been introduced into the rules in consultation with the Comptroller to the effect "that interest will be calculated to the nearest annas omitting fine pies and less and reckoning six pies and more as one anna". This new clause may therefore be approved.

Another additional proposal is the insertion of Sub-clause (d) in clause (5) to the effect that "the borrower shall be bound necessarily to accept the changes sanctioned by the Dept in setting up the plant at his desire". This addition also seems necessary and may be approved.

The Director has not however made provision in the rules for offering collateral security in the case of Electric machinery, as stated in Rl. (1) of the above order. The necessary additions have been suggested in pencil in Rule 12 of the Rules and the H.P. application form

The rules with the additions proposed may therefore be approved

The draft rules, as sent up, are in accordance with the orders of Govt (G.O. No- Ind. 12.4.'26 - Fin(P)., except for the omission pointed out at

GEN. & REV. SECRETARIAT
30 APR 1926
INDUSTRIES & COMMERCE BRANCH.

A

NOTE—Contn. Sheet

General and Revenue Secretariat

Ite File No. 446 of 1926

Serial No.

A) above - They may be approved, with the addition suggested - Ch Secy)

WP 23/6/26

Secy 24/6/26

WP 24/6

Asstt Secy 25/6/26

Secy

951 24.6

Submitted with draft

SJ 25/6

Appd / for formal before issue. Ch Secy

WP 26/6

Issue

WP 27/6

8

Director Ite
Comptroller
8815-16 & 28.6.26.

Refer to sl. 7. Approval of the Rules proposed by the Director Ite

GEN'L & REVENUE SECRETARIAT
8 SEP 1926
INDUSTRIES & COMMERCE
CH.

NOTE—Contn. Sheet

(1)

Extract from the Register of Council Subjects.

Reference File G.M. 55 of 1912-13.

Subject. - Revised draft rules for the grant of loans for the purchase and erection of machinery generally to facilitate agricultural and industrial operations.

....

Dewan's Order.

" I shall be obliged by the Councillors giving their opinion on the revised rules also."

20-5-1913.

Submitted to First Councillor.

23-5-1913.

Opinion recorded.

Submitted to Second Councillor.

5-6-1913.

Submitted to Dewan with the opinion of Councillors.

7-6-1913.

- - -

This is being circulated from the Conference Office.

Sent to the Edn. Secy. after circulation to Councillors.

1-8-1913.

Orders are issued in the matter. 15-9-13.

App.F.VI-G1.]

7

SUBJECT

Section Ind
File No. 446 - 24
Serial No. 1

Diary No. of letter replied to

No. I.C. 8061

General and Revenue Secretariat
( )
the 192

To The Secy Eco. Dev Bd

Sir

Date of issue 27/8/25

I am ... Govt. under ... that the rules for the grant of industrial loans issued with Govt. Notn. No. 4146 G. No. 53-12-240 dt 2-9-1913, should be revised. Strictly laying down the conditions, ~~to be satisfied~~ for the grant of the loans. I am directed to request that the existing

Signed by Mr. V. V. Acharya

List of enclosures

Copied by

Examined by

over

Rules may be placed
before the Board of D & C
and their views sought
for the consideration
of Govt. about the modi
fications, that may be
required in the Rules -
in the light of the other
Fabrication made above

I have the

26/5
Forestry Rid

01150

Ire 10-25-1 (4)
446-24-2

TELEGRAPHIC ADDRESS: "INDUSCOM"

In reply please refer to
No. G. 17 C

GOVERNMENT OF MYSORE,
DEPARTMENT OF INDUSTRIES AND COMMERCE.

OFFICE OF THE DIRECTOR,

Dated Bangalore, the 5th July 1925.

7

P. G. D'SOUZA, ESQ., B.A., B.L.,
Director of Industries and Commerce in Mysore,
Bangalore (India).

GEN. & REV. SECTION. 1 Jr 7 JUL 1925 FROM G. D. SECTION.

To

The Secretary to the Government of Mysore,
Revenue Department,
Bangalore.

GEN. D 151 JUL 1925 INDUSTRIES & COMMERCE BRANCH.

30/-

SIR,

I have the honour to invite kind reference to your No: I.C. 4977/I&C.150-24-8 of the 23rd January 1925, regarding the reviving the powers of sanction of the Director of Industries and Commerce to grant Takavi Loans up to a limit of Rs 2,500/= and to request you to kindly obtain early orders of Government in the matter.

I have the honour to be,

S i r,

Your most obedient servant,

DIRECTOR.

The Subject has been referred to the Ire BO for revision of loan rules - may a reply be sent to Director

BV. A.I. Cler

MAR 14-7-25

Yes MR 15/7

Draft sent

MAR 16-7-25

MR 15 Issue

5/8/25

App.F.VI-G1.] 5 B650

SUBJECT

Section Jtc

File No. 446-244

Serial No. 3

No. 1.C. 821

Diary No. of letter replied to

To The Dist Sec

General and Revenue Secretariat

( )

, the *192*

Sir

With ref to your
letter no. 4117 dt 7.7.35,
~~I am directed to~~
regarding ~~state that~~ the question
of reviving your
powers to grant
Takavi loans upto
a limit of Rs 2500
I am directed to
state that ~~before~~
sanctioning your
~~proposals Govt has~~
~~considered it necessary~~
~~to increase the loan~~

Date of issue 18/8/35

Signed by M. V. V. Aiyar

List of enclosures The matter is
Under consid, pending

Copied by

Examined by

over

rules, strictly keeping
down the conditions
for the grant of loans,
and have referred the
subject ~~for~~ to the opinion of Existing
of the B.D. on the revision of the loan rules —
~~with a view to a~~
~~receipt of the report~~
~~from the Board.~~

I have etc

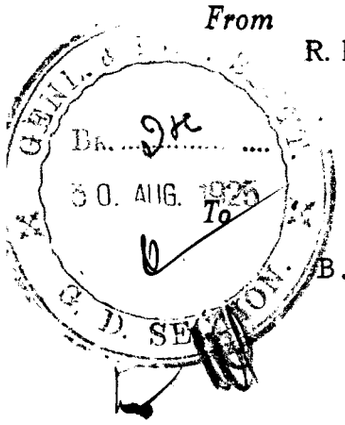
W 1/8
for Secy RD

09794 GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Office of the Secretary, Economic Development Board,

Bangalore, Dated 29-8-1925

No. 821/Cncls



From

R. RANGA RAO, Esq., B.A., B. L.,
Secretary, Economic Development Board.

To

B. SREENIVASA IYENGAR, ESQR., B.A., B.L.,
Secretary to Government,
Revenue Department,
Bangalore.

ic 446-24-RR.

Sir,

With reference to your letter No.8061/I & C 446-24-1 dated 27th May 1925 and to the subsequent reminder No.ic 817 dated 10th August 1925 regarding the revision of rules for the grant of Industrial Loans I have the honour to forward herewith copy of letter No. 98 dated 24th August 1925 from the Secretary, Board of Industries & Commerce, in the matter.

I have the honor to be,

Sir,
Your most obedient servant,

R. Ranga Rao

Secretary,
Economic Conference.

BNN

8

Copy of letter No.98 dated 24th August 1925, from the Secretary, Board of Industries and Commerce, Bangalore, to the Secretary, Economic Conference.

@@@@@@@

With reference to your letter No. 781 dated the 19th instant regarding the revision of rules for the grant of Taccavi Loans, I am directed to state that this subject was discussed by the Board at the last meeting of the Board held on 25th July 1925 and the Board considered that the modification of the rules was necessary in view of the present altered conditions and that the subject may therefore be referred to a Sub Committee consisting of 5 members of the Board.

Accordingly a Sub Committee has been formed for the purpose, the recommendations of which will be considered by the Board and their opinion communicated to Government.

****

" C o p y "

P. Rajagopalan

18390

9

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

Office of the Secretary, Economic Development Board,

Bangalore, Dated 31-10-25

No. 2177

From

R. RANGA RAO, Esq., B.A., B. L.,
Secretary, Economic Development Board.

2317

To

B. Sreenivasa Iyengar Esq. B.A.B.L.,

Revenue Secretary to Government.

With reference to your reminder No.2029 dated 23.9.25 calling for the views of the Industries & Commerce Board regarding the revision of rules for the grant of Industrial loans, I have the honor to state that the Secretary, Board of Industries & Commerce to whom this has been referred, has not yet submitted the report called for on the subject and that he has again been reminded in the matter.

I have the honor to be

sir,

your most obedient servant

R. Ranga Rao

Secretary

10

25463

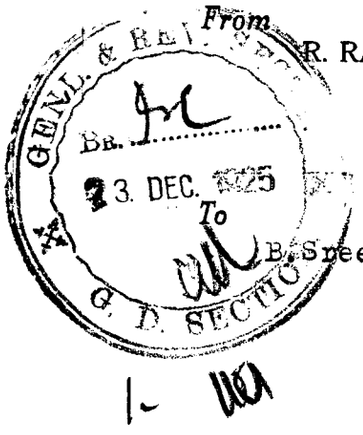
GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

Office of the Secretary, Economic Development Board,

Bangalore, Dated 22-12-25

No. 3553

D 3293



From

R. RANGA RAO, Esq., B.A., B. L.,
Secretary, Economic Development Board.

To

B. Sreenivasa Iyengar, Esq. B.A. B.L.
Revenue Secretary to Government.

Sir,

With reference to your reminder No.I.C.3884 dated 7.12.25 asking for the views of the Industries and Commerce Board regarding tne revision of the rules for the grant of industrial loans I have the honor to state that the Secretary Board of Industries & Commerce to whom the matter was referred has stated in his letter dated 26.10.25 that the sub committee constituted for the purpose have not yet met and that the views of the Board would be furnished after the subject is considered by them.

I have the honor to be
sir,
your most obedient servant

R. Ranga Rao

Secretary

32448

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

Office of the Secretary, Economic Conference,

Bangalore, Dated, 28 1-26.

No. 3642/Ecls.

From

R. RANGA RAO, Esq., B.A., B.L.,
Secretary, Economic Conference.

D 3888

To

Srinivasa Iyengar Esq. B.A.B.L.

Revenue Secretary to Government.

Ite 446-24-4

Sir,

With reference to correspondence ending with your letter No.I.C.4831 dated 18.1.26 regarding the revision of the rules for the grant of industrial loans etc., I have the honor to forward herewith copy of letter No.352 dated 12.1.1926 from the Secretary, Board of I & C forwarding the resolutions of the Board on the subject.

I have the honor to be

sir,

your most obedient servant

R. Ranga Rao

Secretary

12

Proceedings of the Government of H.H. the Maharaja of Mysore.

Read.--

Notification No.G.2146/G.M. 55-12-240 dated 2nd September 1913, issuing the rules for the grant of loans for agricultural, industrial and commercial purposes.

2. Correspondence ending with letter No.3642 dated 28th January 1926, from the Secretary, Economic Conference, communicating the resolutions passed by the Industries and Commerce Board regarding the revision of the above rules.

ORDER NO: 2702-4/Ite 446-24-5

Dated, Bangalore, the 12/4/1926

The suggestions made by the Industries and Commerce Board are as follows:-

(1) that the maximum amount of loan to be sanctioned on the hire - purchase system for purchase ~~and erection~~ of machinery &c. be fixed at - Rs.5000/- -, that 50 per cent of the value of such machinery be recovered as preliminary purchase money instead of 25 per cent as at present and that in the case of special machinery for which there is likely to be ~~no~~ much demand if sold, the Director of Industries and Commerce may be authorised to - obtain collateral security in addition to the ~~loan~~. machinery

(2) That the rate of interest for industrial loans be fixed at 6% instead of 7% as at present.

(3) That the maximum period for the repayment of the loans may be fixed at 7 years, provided that when the industry takes some time to be started, the Government in special cases may order the postponement of the repayment.

(4) That interest be made payable on all sums advanced by Government from the dates of disbursement.

(5) That the Director of Industries and Commerce may be empowered to sanction loans up to Rs.2,500 in each case, that loan applications between Rs.2,500 and 10,000 may be sanctioned by Government without reference to the Board of Industries and that applications for loans exceeding Rs.10,000 should be referred to the Board of Industries and Commerce for opinion before they are sanctioned by Government.

(6) That a quarterly statement of all loans sanctioned both by the Director, Industries and Commerce and the Government should be ~~sent to~~ placed before the Board for information.

2. Government are pleased to approve of the recommendations made by the Industries and Commerce Board with the modification that the reduced rate of interest at 6% recommended by the Board will apply only ~~for~~ 6 new loans sanctioned during a period of 3 years - from 1st January 1926, at the end of which the position will be reviewed.

The loans rules issued with the notification read above will be modified to the extent contemplated in this order.

3. The Director, Industries and Commerce is requested to forward ~~for~~ the information ~~of~~ the Industries and Commerce Board, a quarterly statement of the loans sanctioned by him and the Government.

Chief Secretary to Government.

To

The Director, Industries and Commerce.
" Comptroller to Government thro' financial Secretariat.
" Secretary, E.C.

16

WR 7489/I+C 446-24-6

9/12/1926

G. R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

To

The Dist. Mgc

Sir,

I am directed to invite kind reference to G.O. No. I.C. 7102-4/WR. 446-24-5 dated 12th April 1926, sanctioning certain modifications in the rules for the grant of industrial taccavi loans, and to request that a draft of the rules revised in accordance with the above G.O. may be kindly submitted for the approval of Govt.

I have etc.

1. WD 2644
Sh Secy

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WD 2230—GPB—1,00,000—23-7-20

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TELEGRAPHIC ADDRESS: "INDUSCOM"

In reply please refer to
No. C 1869/L

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

OFFICE OF THE DIRECTOR,

Dated Bangalore, the 11th ..... June ..... *1926*.

FROM

Md. Zahiruddin Mecci Esq., B. A.,
Offg. *Director of Industries and Commerce in Mysore,*
(Bangalore India).

28560

GENL. & REV. SECTT. Bn. To 13 JUN 1926 G. D. SECTION.

GEN. & REV. SECRETARIAT 14 JUN 1926 INDUSTRIES & COMMERCE BRANCH.

P. G. D'Souza Esq., B.A., B.L.,
Chief Secretary to Government,
B a n g a l o r e.

I & C 446-24-7

SIR,

With reference to your letter No.I.C.7489/I&C 46-24-6 of the 29th April 1926, I have the honour to forward herewith a draft of the Rules for the grant of Industrial Taccavi Loans revised in accordance with certain modification sanctioned in Government Order No.I.C.7102-4/I&C 446-24-5 dated the 12th April 1926 for the information of Government. The modifications sanctioned by Government in the above Government Order of 12-4-1926 have been duly notified for the information of the public in the Mysore Gazette.

In consultation with the Comptroller a new clause has been introduced into the rules and also the agreements to the effect "that interest will be calculated to the nearest anna omitting five pies and less and reckoning six pies and more as one anna". This applies to loans issued from 1-7-1926; as much difficulty is being felt in calculating or in verifying the interest up to the last pie, this clause has been introduced. As Government have in their Order No.Fl.5301-64/G.F.204-23-1 dated 26-3-1924 sanctioned the elimination of pies among other items, in bills due to contractors, etc, and as the Comptroller has also supported the view of this office in introducing the clause, I request that Government will approve of its insertion.

In hire purchase agreement (Form 4) sub-clause(d) in Clause(5) to the effect that " The hirer shall bind himself to accept the charges incurred by the Department in setting up the plant at his desire" has been inserted as it is desirable that such a provision in the agreement should exist to guard the action of the Department in incurring expendi-

ture,

expenditure in setting up the plant at the desire of the loan holder.

As new forms have got to be printed before the end of the month, I request you to kindly obtain formal approval of Government as early as possible.

I have the honour to be,

Sir,

Your most obedient servant,

Offg. Director.

SDN)
11/6.

G.R..S VI G 34j

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

, *the* 192

Date of issue 28/6/1926

Signed by Sri Varadarajachar

May this be

i Printed ? Yes WP

ii treated as a standing order ? Yes WP

iii published in the Gazette. No WP

~~English Part ?~~

v translated ?

v placed at the disposal of the press

vi published in the Gazette, Kannada Part ?

21/6/26

Section Dpc.

File No. 446-24

Serial No. 8

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—

G. O. No. D. C. 7102-4/ Dpc 446-24-5 dated 12th April 1926, enclosing copy of the modifications effected by the Dpc Board in the rules for the grant of loans for agricultural, industrial and commercial purposes.

and

2. Correspondence ending with letter No. G. 1069/A dated 11th/12th June 1926 from the Director, Dpc, forwarding a draft of the rules for the grant of the ~~Order Thereon—No.~~ industrial takkavi loans revised in accordance with the above order.

Order No. 28815-16/28/6/26

Govt are pleased to approve of the rules enclosed by the Director. The rules as approved by Govt are appended to this order.

WP

26.6.26. Dy

21/6/26

To

The Dir, Dpc

The Comptroller & Govt.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. I. C. 8815-16—I. & C. 446-24-8, dated 28th June 1926.

Loans for Agricultural, Industrial and Commercial Purposes.

Issues Revised Rules for the grant of ——.

READ—

Government Order No. I. C. 7102-4—I. & C. 446-24-5, dated 12th April 1926, approving of the modifications proposed by the Industries and Commerce Board in the rules for the grant of loans for agricultural, industrial and commercial purposes.

2. Correspondence ending with letter No. G. 1069—L., dated 11—12th June 1926, from the Director of Industries and Commerce, forwarding a draft of the rules for the grant of the Industrial Taccavi Loans revised in accordance with the above order.

ORDER No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

Government are pleased to approve of the rules proposed by the Director. The rules as approved by Government, are appended to this order.

P. G. D'SOUZA,
Chief Secretary to Government.

To—The Director of Industries and Commerce in Mysore.
The Comptroller to Government.

Exd.—P. S. R. N.

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

RULES FOR THE GRANT OF LOANS GENERALLY TO FACILITATE AGRICULTURAL AND INDUSTRIAL OPERATIONS AND FOR THE PURCHASE AND ERECTION OF MACHINERY.

1. In order to facilitate agricultural and industrial operations, loans of money may be granted under these rules for any or all the purposes specified below:—

(1) For the purchase and erection of machinery for agricultural or industrial undertakings;

(2) for the construction of wells or tanks, of mills, warehouses and other structures necessary for agricultural and industrial operations;

(3) for the provision of raw material, working capital or appliances other than those specified above, required for the carrying on of industrial operations.

2. The Director of Industries and Commerce shall be competent to sanction loans not exceeding Rs. 2,500. Loans for sums between Rs. 2,500 to Rs. 10,000 require the sanction of Government, and loans above Rs. 10,000 will be referred to the Board of Industries and Commerce, for opinion before sanction by Government. Loans granted for the objects specified in (1) and (3) of Rule 1, will be subject to a limit of Rs. 5,000 in each case. (G.O. No. 2e 7102-4/ Dt 446-24-5 A 12.4.26)

3. The rate of interest charged shall be 7 per cent per annum for loans sanctioned up to 30th June 1926 and 6 per cent for loans sanctioned on and after 1st July 1926; this rate will be current, for a period of three years.

NOTE.—Interest will be calculated to the nearest anna omitting five pies and less, and reckoning six pies and more as one anna.

4. For loans granted up to 30th June 1926 interest shall accrue from the date of the disbursement of the loan; or, if it is expended by the department of Industries and Commerce, from the date on which the machinery is put in working order by that department and the borrower put in possession of the same; and for loans granted after 1st July 1926, interest accrues from the date of disbursement of the loan.

5. *Period allowed for repayment and mode of recovery of loans.*—Loans shall be repayable by fixed annual payments, discharging both principal and interest.

Simple interest shall be charged on the loan, or, if it is disbursed in instalments, on these instalments, up to a date one year previous to the date fixed for commencement of repayment; and the total amount comprising the loan and such interest shall be recovered by annuities.

The time allowed for repayment of the loans and the amount of instalments shall be fixed by the authority sanctioning the loan having regard to the nature and magnitude of the agricultural or industrial operations proposed to be undertaken; but such time shall not exceed generally seven years.

The time for repayment specified above shall count from the date on which interest becomes chargeable under Rule 4 above, provided that nothing in this rule shall be taken to preclude a barrower from discharging the loan at an earlier period or from paying a larger amount than the annual instalment. The excess so paid shall be credited in reduction of principal and the number of future payments shall, if necessary, be decreased, but no reduction in the amount of the instalments fixed under para 2 of this rule shall on this account be allowed.

6. The date for repayment of each instalment shall be decided by the Director of Industries and Commerce in reference to the nature of the object for which the loan is granted. But the date of the repayment of the first instalment shall not be put off for more than fifteen months from the date on which interest becomes chargeable on the loan under Rule 4 above.

FORM I.

FORM OF APPLICATION FOR LOANS.

1. Name, father's name and residence of applicant.

2. Amount of loan required.

3. Object for which the loan is required.

Security offered									Name of the person who agrees to offer land or other immovable property as security and the nature and extent of his right in it	Rights of others in the land		Nature and extent of encumbrances if any, in the property where land or other immovable property is offered as security	Whether any arrears are due on land or other immovable property offered as security	Proposed time of repayment	Remarks
If personal	If land						Other immovable property			Name occupation and address	Nature and extent of right				
(1) Name, (2) Father's name and (3) residence of the surety	Village	Survey No.	Kind	Extent	Assessment	In whose name registered	Extent	Description							
4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
				A. g.	Rs. a. p.		A. g.								

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1924.

NOTE.

1. Application for a loan under these rules should be made to the Director of Industries and Commerce on Form No. I, printed copies of which will be available free of cost in all Taluk Offices.

2. Loans of money may be granted under these rules for any or all the purposes specified below:—

(i) Purchase and erection of machinery for agricultural or industrial undertakings, ordinarily up to a limit of Rs. 10,000 in each case.

(ii) The construction of wells and tanks, of mills, warehouses and other structures necessary for agricultural or industrial operations.

(iii) The provision of raw material, working capital or appliances, other than those specified above required for the carrying on of industrial operations, ordinarily up to a limit of Rs. 5,000 in each case.

3. All loans granted under these rules and all other sums falling due to Government in connection therewith shall be recoverable as an arrear of land revenue.

4. The applicant will show in the column of remarks in Form No. I :—

(i) Whether the applicant proposes to supplement the loan by any private capital and if so, to what extent.

(ii) The estimated total cost of the proposed work and the probable period that will be occupied in its construction.

5. The rate of interest charged on the loan shall be 7 *per cent or 6 per cent per annum* as the case may be.

6. Loans shall be repayable by fixed annual payments, discharging both principal and interest.

7. The time allowed for repayment shall be fixed by the authority sanctioning the loan subject to the limitation of a period of seven years provided that where a loan is granted for the objects specified in para 2 (iii) above, the time allowed for repayment shall in no case, exceed five years.

8. If the grantee of a loan misapplies the whole or any portion of the loan or otherwise fails in any of the conditions of the grant, the whole unpaid balance of the loan with interest and costs will be liable to summary recovery as an arrear of land revenue.

9. Loans for the purchase of machinery will be sanctioned, only on the condition that the machinery is approved by the Director of Industries and Commerce or other competent professional adviser as suitable for the purpose to which they are to be applied.

10. If requested, the Department of Industries and Commerce will undertake to erect the work for which the loan is obtained at the cost of the borrower and hand it over to him in good working order and with proper accounts of the expenses incurred on his behalf.

11. The machinery purchased and the buildings, etc., erected with the loan referred to above shall be maintained in a suitable condition and working order and repairs and renewals as directed by the Director from time to time shall be carried out without undue delay.

FORM II.

APPLICATION FOR MACHINERY FOR AGRICULTURAL OR INDUSTRIAL PURPOSES ON THE HIRE-PURCHASE SYSTEM.

———

1. Name of applicant.
2. Father's name.
3. Caste.
4. Age.
5. Residence.
6. Village, hobli, taluk and district where applicant proposes to set up the machinery.
7. Nature and description of machinery required and its approximate value.
8. Object for which the machinery is required.
9. Amount which the applicant is prepared to deposit (being half of the approximate value of the machinery required) and collateral security which he is prepared to offer, if required.
10. Whether the applicant wishes the Director of Industries and Commerce to set up the machinery for the applicant at applicant's cost and what other help he wants from the department in connection with the installation.

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

FORM III.

I. The sum of rupees.....is granted to.....caste.....
ling....., son of....., residing at.....
a loan under Government Order No. I. C. 8815-16—I. & C. 446-24-8, dated 28th June 1926, for
: purpose of.....
.....
subject to the following conditions :—

II. The conditions referred to are as follows :—

(i) That as requested by the borrower.....the amount of the loan shall be expended by the department of Industries and Commerce on the execution of the necessary security bonds for the purpose of.....
.....and the work handed over to the borrower.....
as soon after completion as possible in good working order with proper accounts of the expenses incurred on behalf of the borrower ; or,

(ii) That the amount of the loan shall be paid to the aforesaid.....in.....
.....instalments on the execution of the necessary security bonds, the first on the production of this order and the second and subsequent instalments on proof that the first and previous instalments have been properly utilised.

(iii) That if it shall appear to the satisfaction of the Director of Industries and Commerce that any portion of the first or subsequent instalments has been misapplied to any other purpose than that specified above the portion of loan already paid to the aforesaid
....shall be recoverable as an arrear of land revenue.

III. (i) That the loan with interest thereon at 6 per cent shall be repaid by equal annual instalments of Rs.....falling due with the.....khist of the revenue year commencing with 192.....and ending with 192.....

(ii) Such annual payments shall be made at the Treasury of.....Taluk.

(iii) If default in payments of annual instalments on account of the loan occurs, the Director shall have power to recover interest at 9 per cent on the amount due from the date on which the payment ought to have been made. In calculating interest under this rule a broken period of a month shall count as half a month or one month according as it is less or not less than 15 days, and a fraction of a rupee as half rupee or one rupee according as it is less or not less than eight annas. If the aforesaid..... should contravene any of the conditions under which the loan is granted, the unpaid balance of the loan shall be recoverable as an arrear of land revenue.

Note.—Interest under (i) and (iii), will be calculated to the nearest anna omitting five pies and less, and reckoning six pies and more as one anna.

IV. That machinery purchased and building, etc., erected with the loan referred to above shall be maintained in a suitable condition and good working order and that repairs and renewals as directed by the Director of Industries and Commerce from time to time shall be carried out without undue delay.

V. That for the repayment of the loan with interest and costs, if any, due on the same, the immovable property specified below, in addition to the object upon which the loan is expended, is hypothecated as collateral security to Government.

Signature of the Officer granting the loan.

I have understood and agreed to the aforesaid terms and conditions.

ignature of Borrower

FORM IV.

HIRE-PURCHASE AGREEMENT.

An agreement made this.....day of 192....between the Director of Industries and Commerce on behalf of the Government of His Highness the Maharaja of Mysore (hereinafter called "the Director") of the one part and.....,.....of.....
(hereinafter called "the Hirer") of the other part.

Whereby it is agreed as follows :—

1. The Director agrees to let on hire to the hirer, and the hirer agrees to take from the Director the machinery in the Schedule hereunder written (hereinafter referred to as "the Machinery").

2. The Director hereby acknowledges the receipt of Rs. for the option of purchase hereinafter contained. If the hirer shall exercise such option, credit will be given to the hirer for such sum. If he does not, then such sum shall be forfeited to Government at the discretion of the Director of Industries and Commerce.

3. So long as the hirer thinks fit to continue the hiring, he shall pay for the hire of the said machinery to the Director at Bangalore, or to his order without demand, the sum of Rs.
every year or any shorter period to be fixed by the authority sanctioning the loan with interest on the amount of hire for the time being unpaid at the rate of 6 *per cent per annum.*

The first payment of Rs.....together with the interest (which will be calculated to the nearest anna omitting five pies and less and reckoning six pies and more as one anna) which shall have accrued and be payable as aforesaid to be made on the.....day of.....192..... the second payment of Rs.....and interest as aforesaid to be made on the.....day of..... 192.....and the third payment of Rs .....and interest as aforesaid to be made on the..... .....day of.....192.....the fourth payment of Rs.....and interest as aforesaid to be made on the day of.....192 , (*and so on*).

4. It shall be lawful for the Director and all persons authorised by him, at all times to enter upon any premises in which the machinery may be for the time being, to examine the same.

5. The hirer agrees with the Director that during the hiring :—

(*a*) the machinery shall be kept in good and serviceable order and condition (also without damage by fire) and that no alteration or addition thereto shall be made without the previous written consent of the Director ;

(*b*) the machinery shall be kept in possession of the hirer and upon trust for the Director at the hirer's address given in the Schedule, hereto, or at such other addresses as the Director may by writing authorise, free from distress, execution, or other legal processes, and shall not on any account be sold, assigned, or dealt with, or the possession thereof parted with ;

(*c*) all rates, taxes and outgoings payable in respect of the premises wherein the machinery may for the time being be placed shall be duly and punctually paid and discharged by the hirer, and the current receipts therefor shall be produced to the Director on demand.

(*d*) The hirer shall bind himself to accept the charges incurred by the Department in setting up the plant at his desire.

6. It is hereby declared that the Director has entered into this agreement upon the express declaration by the hirer, and the hirer hereby, expressly warrants, that the premises upon which the machinery is to be placed are free from any mortgage incumbrance or charge, given or created by the hirer or any person through whom he claims.

7. If the hirer at any time during the hiring shall be desirous of executing or creating any charge, mortgage or other incumbrance of or upon the premises in or upon which the machinery shall for the time being be, he shall give to the Director one calendar month's previous notice in writing of his intention so to do, and upon the receipt of such notice it shall be lawful for the Director to put an end to the hiring in manner provided by the next succeeding clause.

8. If the hirer shall make default in punctually paying any hire instalment, the Director may levy overdue interest on such instalment at 9 per cent per annum which will be calculated to the nearest anna from the date on which the instalment became due until the date of payment of the instalment and the accrued interest.—

9. If the hirer :—

(*a*) shall be adjudicated bankrupt or shall file a petition in insolvency or enter into any arrangement or composition with his creditors ; or

(*b*) shall execute or create any mortgage incumbrance or charge of or upon the premises in or upon which the machinery may for the time being be, or give notice of his intention so to do as provided by the last preceding clause ; or

(*c*) shall fail to observe and perform any of the agreements and conditions contained in this Agreement and on his part to be observed and performed :

then and in any such case, it shall be lawful for the Director to immediately put an end to the hiring, and for that purpose the hirer hereby authorises the Director or any one deputed by him to enter upon any premises in which the machinery may be for the time being, and to seize and take away the same.

10. Should the hirer hinder or prevent the Director or his Deputy seizing and taking away the machinery, then and in every such case the hirer shall pay to the Director, the sum of Rs. 200 (two hundred rupees) as and by way of liquidated damage for breach of this provision and not by way of penalty.

11. If the Director shall seize and take possession of the said machinery under clause 9 hereof, the hirer shall have the option within one month after such seizure, of purchasing the said machinery by the payment to the Director of Rs. , together with the costs and expenses of and incidental to such seizure. In the event of the hirer making such payment within the time aforesaid, he shall receive credit from the Director for all sums previously paid by him on account of hire and the amount paid on the signing of this agreement. If the hirer shall not exercise such option and make such payments within the time aforesaid, the option given to the hirer by this clause shall cease and the hirer shall not be entitled to any credit, allowance or return for or on account of any payments made previously by him.

12. No allowance, return credit or payment shall be allowed or paid to the hirer in the event of the hiring being determined by the Director as provided by clause 8 hereof, but the hirer shall pay to the Director at Bangalore all arrears of hire, interest and damages, for the breach of this agreement up to the date of such determination.

Such damages shall be in addition to and not in substitution of any damages mentioned in clause 9 hereof.

13. All sums falling due to the Director under this contract shall be recoverable from the hirer as an arrear of land revenue.

14. The Director hereby agrees that the hirer shall have the option of purchasing the machinery at any time during the hiring by paying the sum of Rs.....with interest thereon at 6 *per cent per annum* from the date hereof, and also that if the hirer shall exercise such option, he will give to the hirer credit against such purchase-price for all payments which shall have been made by him for hire, with counter interest on such payments at the like-rate and also for the sum paid on the signing of this Agreement. But until such purchase-price shall have been paid in full, the said machinery shall remain the absolute property of the Government of Mysore.

15. If the Director shall grant to the hirer any time or indulgence, the same shall not affect or prejudice the Director's rights under this agreement.

.....

Director's signature.

.....

Hirer's signature.

Witness to signature of the said.....
Signature.....
Address.....
Occupation.....

Address for the purpose of clause 5 (*b*)

.....District.....Town.....Street.....Number of house.....

(Schedule above referred to)
Machinery.

FORM V.

MORTGAGE DEED TO BE EXECUTED BY THE BORROWER.

THIS INSTRUMENT MADE the.....day of.....192.....between.....
.....of.....(hereinafter called "the Mortgagor") of the one part and the Director of Industries and Commerce on behalf of the Government of His Highness the Maharaja of Mysore ("hereinafter called the Mortgagee") of the other part.

WHEREAS the Mortgagor $\frac{\text{has}}{\text{have}}$ received from the Director of Industries and Commerce.....
.....an order under the Rules for the grant of Loans generally to facilitate Agricultural and Industrial Operations issued under G. O. No. I. C. 8815-16—I. & C. 446-24-8, dated 28th June 1926.....
.....and dated the.....day of.....192.....in virtue of which the Mortgagor $\frac{\text{is}}{\text{are}}$ entitled to receive the aggregate sum of Rs.....as a loan from the Mortgagee for the purpose of.....
and WHEREAS security for the due application of the amount of the said loan and for the punctual repayment of the same according to the terms of the said order is demanded by or on behalf of the Mortgagee and in order to furnish such security the Mortgagor has agreed to sign these presents.

NOW THESE PRESENTS WITNESS that in consideration of the said loan and in pursuance of the said agreement, the Mortgagor doth hereby transfer to the Mortgagee, his successors and assigns the immovable property described in Schedule A hereunder written with the appurtenances thereto subject to redemption as hereinafter mentioned.

THESE PRESENTS ALSO WITNESS that in consideration of the said loan and in pursuance of the said agreement, the Mortgagor doth hereby further transfer to the Mortgagee, his successors and assigns the property described in Schedule B hereunder written, being that on which the said loan to be expended, subject to redemption as hereinafter mentioned.

AND it is hereby agreed that if the Mortgagor, $\frac{\text{his}}{\text{their}}$ legal representatives and assigns shall duly comply with the terms on which the said loan has been granted and shall apply the same and every part thereof in the manner provided in the said order and shall duly repay the amount of the said loan together with any interest which may have become payable thereon, or any part thereof, and all costs if any, incurred by the Mortgagee, his successors or assigns in making the said loan or otherwise in connection therewith, the Mortgagee, his successors or assigns, shall thereupon retransfer the said immovable property noted in Schedule A together with the property described in Schedule B to the Mortgagor, his legal representatives or assigns or as he or they shall direct.

PROVIDED always and it is hereby agreed that in case the Mortgagor, his legal representatives or assigns shall fail to comply with the terms on which the said loan has been granted, it shall be lawful for the Mortgagee, his successors and assigns to sell the said immovable property noted in Schedule A and the property described in Schedule B or any parts thereof, and out of the proceeds of such sale to make good to the Mortgagee, his successors or assigns the amount which in consequence of any such default shall be payable by the Mortgagor, his legal representatives or assigns.

In witness whereof the Mortgagor $\frac{\text{has}}{\text{have}}$ hereunto set $\frac{\text{his}}{\text{their}}$ hand the day and year first above written. (The schedule above referred to.)

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

SCHEDULE A.

Registration District	Registration Sub-District	If the property is house property					If cultivable land				
		Village	Boundaries of the property	Description and value of buildings and how long likely to last	Extent of building site and of vacant ground or compound	Trees, wells, etc.	Survey number	Wet or dry	Extent	Assessment	Trees, wells, etc
1	2	3	4	5	6	7	8	9	10	11	12

SCHEDULE B.

Registration District	Registration Sub-District	Village	Description of objects upon which the loan is expended

Signature of Borrower.

Witness.

(1) .....,son of....., village of.....

(2) .....,son of....., village of.....

Signed by the abovementioned
in the presence of

FORM VI.

SECURITY BOND TO BE EXECUTED BY A SURETY FOR A BORROWER.

THIS INSTRUMENT MADE the .....day of.....192..... between.. ....of.....(hereinafter called "the Mortgagor") of the one part and the Director of Industries and Commerce on behalf of the Government of His Highness the Maharaja of Mysore (hereinafter called "the Mortgagee") of the other part.

WHEREAS.....$\frac{\text{has}}{\text{have}}$ received from the Director of Industries and Commerce ....an order under the Rules for the grant of loans generally to facilitate agricultural and industrial operations issued under G. O. No. I. C. 8815-I6—I. & C. 446-24-8, dated 28th June 1926, and date the.....day of.....19.. ..... in virtue of the said.. ..... $\frac{\text{is}}{\text{are}}$ entitled to receive the aggregate sum of Rs. .....as a loan from the Mortgagee for the purpose of ... . and WHEREAS security for the due application of the amount of the said loan and for the punctual repayment of the same according to the terms of the said order is demanded by or on behalf of the Mortgagee and in order to furnish such security, the Mortgagor has agreed to sign these presents.

NOW THESE PRESENTS WITNESS that in consideration of the said loan and in pursuance of the said agreement, the Mortgagor doth hereby transfer to Mortgagee, his successors and assigns the immovable property described in the Schedule hereunder written with the appurtenances thereto subject to redemption as hereinafter mentioned.

No. I. C. 8815-16—I. & C. 446-24-8, DATED 28TH JUNE 1926.

AND it is hereby agreed that if the said.....$\frac{\text{his}}{\text{their}}$ legal representatives and assigns shall duly comply with the terms on which the said loan has been granted and shall apply the same and every part thereof in the manner provided in the said order and the said.....,$\frac{\text{his}}{\text{their}}$ legal representatives or assigns or the Mortgagor or his legal representatives shall duly repay the amount of the said loan together with any interest which may have become payable thereon, or on any part thereof, and all costs if any, incurred by the Mortgagee, his successors or assigns in making the said loan or otherwise in c onnection therewith, the Mortgagee, his successors or assigns shall thereupon retransfer the said immovable property to the Mortgagor, his legal representative or assigns or as he or they shall direct.

PROVIDED always and it is hereby agreed that in case, the said.....$\frac{\text{his}}{\text{their}}$ legal representatives or assigns shall fail to comply with the terms on which the said loan has been granted, it shall be lawful for the Mortgagee, his successors and assigns to sell the said immovable property or any part thereof and out of the proceeds of such sale to make good to the Mortgagee, his successors or assigns the amount and which in consequence of any such default shall be payable by the said.....
.....$\frac{\text{his}}{\text{their}}$ legal representatives or assigns.

PROVIDED also and it is hereby agreed that although as between the said.....
.....and the Mortgagor, the Mortgagor is surety only for the said.....
yet, as between the Mortgagor and the Mortgagee, the Mortgagor is to be considered as principal debtor for the principal money's interest and costs intended to be hereby secured so that the Mortgagor or his legal representatives shall not be released or exonerated by time being given to the said.....
.....,$\frac{\text{his}}{\text{their}}$ legal representative or by any other dealings, act, matter or things whatsoever whereby the Mortgagor or his legal representatives as surety or sureties only for the said.....
.....and $\frac{\text{his}}{\text{their}}$ legal representatives would be so released or exonerated.

In witness whereof, the Mortgagor has hereunto set his hand the day and year first above written.

Signature of Surety.

Witnesses.

W D 11—GPB 630--2 8-26